



3015 (02-09-04)

ANNUAL REPORT

OF

Name: BAYFIELD WATER AND SEWER UTILITY

Principal Office: 125 SOUTH FIRST STREET
P.O. BOX 1170
BAYFIELD, WI 54814-1170

For the Year Ended: DECEMBER 31, 1998

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
 WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: BAYFIELD WATER AND SEWER UTILITY**Utility Address:** 125 SOUTH FIRST STREET

P.O. BOX 1170

BAYFIELD, WI 54814-1170

When was utility organized? 1/1/1981**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: LINDA M GOODLET**Title:** TREASURER**Office Address:**

CITY OF BAYFIELD

P.O. BOX 1170

BAYFIELD, WI 54814

Telephone: (715) 779 - 5712**Fax Number:** (715) 779 - 5094**E-mail Address:** TREAS@NCIS.NET

Utility employee in charge of correspondence concerning this report:

Name: MARTIN D PETERSON**Title:** WATER/SEWER ASSISTANT**Office Address:**

125 SOUTH FIRST STREET

P.O. BOX 1170

BAYFIELD, WI 54814

Telephone: (715) 779 - 5731**Fax Number:** (715) 779 - 5094**E-mail Address:** BAYFIELD@NCIS.NET

Individual or firm, if other than utility employee, preparing this report:

Name: MR MARK A VAN VLACK**Title:** CERTIFIED PUBLIC ACCOUNTANT**Office Address:** MAITLAND, SINGLER & VAN VLACK, S.C.

306 W 3RD ST

ASHLAND, WI 54806

Telephone: (715) 682 - 5544**Fax Number:** (715) 682 - 5545**E-mail Address:** MVANVLACK@NCIS.NET

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: MR MARK A VAN VLACK**Title:** CERTIFIED PUBLIC ACCOUNTANT**Office Address:** MAITLAND, SINGLER & VAN VLACK, S.C.
306 W 3RD ST
ASHLAND, WI 54806**Telephone:** (715) 682 - 5544**Fax Number:** (715) 682 - 4804**E-mail Address:** MVANVLACK@NCIS.NET**Date of most recent audit report:** 3/23/1999**Period covered by most recent audit:** December 31, 1998

Names and titles of utility management including manager or superintendent:

Name: BILLIE L HOOPMAN**Title:** CLERK**Office Address:**CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814**Telephone:** (715) 779 - 5712**Fax Number:** (715) 779 - 5094**E-mail Address:** CLERK@NCIS.NET

Name: MARTIN D PETERSON**Title:** WATER/SEWER ASSISTANT**Office Address:**CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814**Telephone:** (715) 779 - 5731**Fax Number:** (715) 779 - 5094**E-mail Address:** BAYFIELD@NCIS.NET

Name: MICHAEL A BONNEY**Title:** SUPERINTENDENT**Office Address:**CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814**Telephone:** (715) 779 - 5731**Fax Number:** (715) 779 - 5094**E-mail Address:** PWORKS@NCIS.NET

Name of utility commission/committee: CITY OF BAYFIELD PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:LAVERN BASINA
ERIC FREDENBERG

IDENTIFICATION AND OWNERSHIP

Names of members of utility commission/committee:

ROBERT HANSEN

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes? NO

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	172,799	166,449	1
Operating Expenses:			
Operation and Maintenance Expense (401)	49,685	55,013	2
Depreciation Expense (403)	35,960	35,479	3
Amortization Expense (404)	0	0	4
Taxes (408)	52,672	52,485	5
Total Operating Expenses	138,317	142,977	
Net Operating Income	34,482	23,472	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	34,482	23,472	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	11,399	8,770	9
Miscellaneous Nonoperating Income (421)	(3,112)	1,042	10
Total Other Income	8,287	9,812	
Total Income	42,769	33,284	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	42,769	33,284	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	29,391	30,588	13
Amortization of Debt Discount and Expense (428)	185	185	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	17,872	18,772	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	47,448	49,545	
Net Income	(4,679)	(16,261)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(171,743)	(148,883)	19
Balance Transferred from Income (433)	(4,679)	(16,261)	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	8,700	6,599	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	(185,122)	(171,743)	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST EARNED ON INVESTMENTS	11,399	4
Total (Acct. 419):	11,399	
Miscellaneous Nonoperating Income (421):		
NON REGULATED SEWER DEPT INCOME	(3,112)	5
Total (Acct. 421):	(3,112)	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215	8,700	10
Total (Acct. 436)--Debit:	8,700	
Appropriations of Income to Municipal Funds (439):		
NONE	0	11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	172,799	0	0	0	172,799	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	67				67	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	172,732	0	0	0	172,732	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,785,743	1,749,486	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	338,013	312,791	2
Net Utility Plant	1,447,730	1,436,695	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,208,516	1,195,545	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	577,709	542,729	4
Net Nonutility Property	630,807	652,816	
Investment in Municipality (123)	0	0	5
Other Investments (124)	12,087	12,536	6
Special Funds (125)	125,656	116,956	7
Total Other Property and Investments	768,550	782,308	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	72,689	92,719	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	20,319	21,961	11
Other Accounts Receivable (143)	38,920	13,650	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	11,283	1,250	14
Materials and Supplies (150)	42,666	35,058	15
Prepayments (165)	619	837	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	186,496	165,475	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	3,018	3,203	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	3,018	3,203	
Total Assets and Other Debits	2,405,794	2,387,681	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	419,021	400,556	21
Appropriated Earned Surplus (215)	125,656	116,956	22
Unappropriated Earned Surplus (216)	(185,122)	(171,743)	23
Total Proprietary Capital	359,555	345,769	
LONG-TERM DEBT			
Bonds (221)	417,600	434,200	24
Advances from Municipality (223)	261,970	276,107	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	679,570	710,307	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	15,731	5,470	28
Payables to Municipality (233)	0	6,600	29
Customer Deposits (235)			30
Taxes Accrued (236)	51,161	51,161	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	66,892	63,231	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	1,423	3,460	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	1,423	3,460	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,298,354	1,264,914	38
Total Liabilities and Other Credits	2,405,794	2,387,681	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	1,785,743	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,785,743	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	338,013	0	0	0	9
Total Accumulated Provision	338,013	0	0	0	
Net Utility Plant	1,447,730	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	312,791				312,791	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	35,960				35,960	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	806				806	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	36,766	0	0	0	36,766	13
Debits during year						14
Book cost of plant retired	11,544				11,544	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	11,544	0	0	0	11,544	19
Balance End of Year	338,013	0	0	0	338,013	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.08%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,195,545	13,571	600	1,208,516	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	1,195,545	13,571	600	1,208,516	
Less accum. prov. depr. & amort. (122)	542,729	35,580	600	577,709	3
Net Nonutility Property	652,816	(22,009)	0	630,807	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	37,308	26,553	2
Sewer utility	5,358	8,505	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	42,666	35,058	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
WATER SYSTEM REVENUE BONDS	185	428	3,018	1
Total			3,018	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	400,556	1
Changes during year (explain):		
CITY PAYMENT OF SEWER DEBT	6,427	2
CITY PAYMENT OF WATER UTILITY PLANT ADDITIONS	12,038	3
Balance end of year	419,021	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
WATER SYSTEM REVENUE BONDS	03/01/1988	06/01/2088	7.00%	245,000	1
FMHA WATER SYSTEM	01/01/1992	01/01/2032	5.88%	172,600	2
Total Bonds (Account 221):				417,600	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
STFL 2	05/12/1992	03/15/2011	7.00%	54,559	1
STFL 3	11/25/1992	03/15/2012	6.00%	49,499	2
STFL 4	07/28/1993	03/15/2013	6.00%	142,912	3
STFL 1	03/15/1989	03/15/2002	7.00%	15,000	4
Total for Account 223				261,970	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	51,161	1
Accruals:		
Charged water department expense	52,672	2
Charged electric department expense		3
Charged sewer department expense	2,928	4
Other (explain):		
NONE		5
Total Accruals and other credits	55,600	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	4,238	7
PSC Remainder Assessment	201	8
Other (explain):		
TAX EQUIVALENT	51,161	9
Total payments and other debits	55,600	
Balance end of year	51,161	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
WATER REVENUE	0	19,420	19,420	0	1
RURAL SERVICES	0	9,971	9,971	0	2
Subtotal	0	29,391	29,391	0	
Advances from Municipality (223)					
STFL 1	0	1,359	1,359	0	3
STFL 2	0	3,996	3,996	0	4
STFL 3	0	3,230	3,230	0	5
STFL 4	0	9,287	9,287	0	6
Subtotal	0	17,872	17,872	0	
Other long-Term Debt (224)					
NONE	0			0	7
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	8
Subtotal	0	0	0	0	
Total	0	47,263	47,263	0	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	839,880	0	0	425,034	0	1,264,914	1
Add credits during year:							
For Services	5,165			2,577		7,742	2
For Mains						0	3
Other (specify):							
INS FOR PUMPING EQT DAMAGE	25,698					25,698	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	870,743	0	0	427,611	0	1,298,354	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	666,456					666,456	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE - SEWER	12,087	2
Total (Acct. 124):	12,087	
Special Funds (125):		
BOND REDEMPTION FUNDS	40,159	3
BOND RESERVE FUND	33,497	4
DEPRECIATION FUND	28,000	5
EQUIPMENT REPLACEMENT FUND	24,000	6
Total (Acct. 125):	125,656	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	20,319	8
Electric		9
Sewer (Regulated)		10
Other (specify):		
NONE		11
Total (Acct. 142):	20,319	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	12,629	12
Merchandising, jobbing and contract work		13
Other (specify):		
CONTRIBUTIONS RECEIVABLE FOR PLANT ADDITIONS	26,291	14
Total (Acct. 143):	38,920	
Receivables from Municipality (145):		
SPECIAL ASSESSMENTS ON TAX ROLL	1,004	15
OPERATING EXPENSES OVERPAID TO CITY	10,279	16
Total (Acct. 145):	11,283	
Prepayments (165):		
PREPAID INSURANCE	619	17
Total (Acct. 165):	619	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Extraordinary Property Losses (182):	
NONE	18
Total (Acct. 182):	0
Other Deferred Debits (183):	
NONE	19
Total (Acct. 183):	0
Payables to Municipality (233):	
NONE	20
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	21
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,767,614	0	0	0	1,767,614	1
Materials and Supplies	31,930	0	0	0	31,930	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	325,402	0	0	0	325,402	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	855,311	0	0	0	855,311	6
Other (specify):						
NONE					0	7
Average Net Rate Base	618,831	0	0	0	618,831	
Net Operating Income	34,482	0	0	0	34,482	8
Net Operating Income as a percent of						
Average Net Rate Base	5.57%	N/A	N/A	N/A	5.57%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	409,788	1
Appropriated Earned Surplus	121,306	2
Unappropriated Earned Surplus	(178,432)	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	352,662	
Net Income		
Net Income	(4,679)	5
Percent Return on Proprietary Capital	-1.33%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

June 16, 1999

Ms. Linda M. Goodlet, Treasurer
Bayfield Water & Sewer Utility
City of Bayfield
P.O. Box 1170
Bayfield, WI 54814-1170

1998 Analytical Review DWCCA-385-PJL

Dear Ms. Goodlet:

The Public Service Commission has completed their analytical review of your 1998 annual report. The primary purpose of our analytical review is to detect possible accounting related errors and to identify significant fluctuations from prior year's data, which are not sufficiently explained in the footnotes of your annual report.

In our correspondence regarding our reviews of both the 1996 and 1997 annual reports, we addressed the issue of retirements reported for Account 345, Services in your 1996 report. We note that you did not adjust your 1998 report for those retirements which you replied were made in error. Enclosed is the related adjusting journal entry which should be made to your 1999 annual report.

Thank you for your efforts in preparing your 1998 annual report. You may consider our review closed. If you have any questions, please feel free to contact me at (608) 267-9198.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

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Enclosure

cc: Mr. Eric Fredenberg

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	169,348	1
Total Sales of Water	169,348	
Other Operating Revenues		
Forfeited Discounts (470)	641	2
Other Water Revenues (474)	2,810	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	3,451	
Total Operating Revenues	172,799	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	25,097	5
General Operating Expenses (680-690)	24,588	6
Total Operation and Maintenance Expenses	49,685	
Other Operating Expenses		
Depreciation Expense (403)	35,960	7
Amortization Expense (404)		8
Taxes (408)	52,672	9
Total Other Operating Expenses	88,632	
Total Operating Expenses	138,317	
NET OPERATING INCOME	34,482	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial	1	100	120	2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	100	120	
Metered Sales to General Customers (461)				
Residential	323	14,595	66,526	4
Commercial	113	13,139	43,005	5
Industrial				6
Total Metered Sales to General Customers (461)	436	27,734	109,531	
Private Fire Protection Service (462)	3		1,435	7
Public Fire Protection Service (463)	1		40,764	8
Other Sales to Public Authorities (464)	25	5,333	17,498	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	466	33,167	169,348	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	40,764	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	40,764	
Forfeited Discounts (470):		
Customer late payment charges	641	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	641	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,152	7
Other (specify):		
MISCELLANEOUS	1,658	8
Total Other Water Revenues (474)	2,810	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	13,217	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	4,952	3
Chemicals (630)	10	4
Supplies and Expenses (640)	495	5
Repairs of Water Plant (650)	3,261	6
Transportation Expenses (660)	3,162	7
Total Plant Operation and Maintenance Expenses	25,097	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	10,832	8
Office Supplies and Expenses (681)	4,045	9
Outside Services Employed (682)	1,825	10
Insurance Expense (684)	1,777	11
Employees Pensions and Benefits (686)	4,356	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	1,686	14
Uncollectible Accounts (690)	67	15
Total General Operating Expenses	24,588	
Total Operation and Maintenance Expenses	49,685	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		51,161	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		402	2
Net property tax equivalent		50,759	
Social Security	WAGES	1,712	3
PSC Remainder Assessment		201	4
Other (specify): NONE			5
Total tax expense		52,672	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Bayfield				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.228565				3
County tax rate	mills		8.048581				4
Local tax rate	mills		10.975497				5
School tax rate	mills		12.172947				6
Voc. school tax rate	mills		1.711717				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		33.137307				10
Less: state credit	mills		2.164031				11
Net tax rate	mills		30.973276				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		10.975497				14
Combined School Tax Rate	mills		13.884664				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.860161				17
Total Tax Rate	mills		33.137307				18
Ratio of Local and School Tax to Total	dec.		0.750217				19
Total tax net of state credit	mills		30.973276				20
Net Local and School Tax Rate	mills		23.236669				21
Utility Plant, Jan. 1	\$	1,749,486	1,749,486				22
Materials & Supplies	\$	27,929	27,929				23
Subtotal	\$	1,777,415	1,777,415				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,777,415	1,777,415				26
Assessment Ratio	dec.		0.875026				27
Assessed Value	\$	1,555,284	1,555,284				28
Net Local & School Rate	mills		23.236669				29
Tax Equiv. Computed for Current Year	\$	36,140	36,140				30
Tax Equivalent per 1994 PSC Report	\$	51,161					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	51,161					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	277,411		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	277,411	0	
PUMPING PLANT			
Land and Land Rights (320)	100		12
Structures and Improvements (321)	310,918		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	107,315	25,698	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	11,443		20
Total Pumping Plant	429,776	25,698	
WATER TREATMENT PLANT			
Land and Land Rights (330)	409		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	409	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			277,411	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	277,411	
PUMPING PLANT				
Land and Land Rights (320)			100	12
Structures and Improvements (321)			310,918	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)	10,000		123,013	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			11,443	20
Total Pumping Plant	10,000	0	445,474	
WATER TREATMENT PLANT				
Land and Land Rights (330)			409	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	409	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	16,765		26
Transmission and Distribution Mains (343)	656,130	13,097	27
Fire Mains (344)	0		28
Services (345)	207,458	5,165	29
Meters (346)	39,556	1,562	30
Hydrants (348)	68,117	2,000	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	988,026	21,824	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	44,132		34
Office Furniture and Equipment (372)	2,063		35
Computer Equipment (372.1)	546		36
Transportation Equipment (373)	2,160		37
Other General Equipment (379)	4,963	279	38
Other Tangible Property (390)	0		39
Total General Plant	53,864	279	
Total utility plant in service directly assignable	1,749,486	47,801	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,749,486	47,801	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			16,765	26
Transmission and Distribution Mains (343)	512		668,715	27
Fire Mains (344)			0	28
Services (345)			212,623	29
Meters (346)			41,118	30
Hydrants (348)	1,032		69,085	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	1,544	0	1,008,306	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			44,132	34
Office Furniture and Equipment (372)			2,063	35
Computer Equipment (372.1)			546	36
Transportation Equipment (373)			2,160	37
Other General Equipment (379)			5,242	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	54,143	
Total utility plant in service directly assignable	11,544	0	1,785,743	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	11,544	0	1,785,743	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			3,791	3,791	1
February			3,399	3,399	2
March			3,611	3,611	3
April			3,592	3,592	4
May			5,259	5,259	5
June			5,190	5,190	6
July			7,038	7,038	7
August			5,099	5,099	8
September			6,086	6,086	9
October			4,309	4,309	10
November			3,417	3,417	11
December			3,678	3,678	12
Total for year	0	0	54,469	54,469	
Less: Measured or estimated water used in main flushing and water treatment during year				575	13
Less: Other utility use				7,152	14
Other utility use explanation:					15
FIRES, FIRE TRAINING, ICE RINK, WATER TREES, WATER LEAKS					
Water pumped into distribution system				46,742	16
Less: Water sold				33,167	17
Losses and unaccounted for				13,575	18
Percent unaccounted for to the nearest whole percent (%)				29%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
OLD SYSTEM DEVELOPS LEAKS WHICH WE FIX WHEN THEY ARE DISCOVERED					
Maximum gallons pumped by all methods in any one day during reporting year				287	21
Date of maximum: 7/23/1998					22
Cause of maximum:					23
HYDRANT FLUSHING					
Minimum gallons pumped by all methods in any one day during reporting year				84	24
Date of minimum: 12/23/1998					25
Total KWH used for pumping for the year				75,472	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1100 MANNYPENNY AVENUE	3	710	12	796,000	Yes	1
NORTH SIXTH STREET	4	800	12	720,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	3	4		1
Location	1100 MANNYPENNY AVENUE	NORTH SIXTH STREET		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BRYON JOHNSON	NONE		5
Year Installed	1982	1993		6
Type	CENTRIFUGAL	CENTRIFUGAL		7
Actual Capacity (gpm)	553	560		8
Pump Motor or Standby Engine Mfr	US MOTORS	GE		10
Year Installed	1982	1993		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	40	50		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	4
			5
Year constructed	1950	1982	6
			7
Primary material (earthen, steel, concrete, other)	CONCRETE	CONCRETE	8
			9
Elevation difference in feet (See Headnote 3.)	290	290	10
Total capacity in gallons	160,000	47,000	11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)			13
			14
Points of application (wellhouse, central facilities, booster station, other)			15
			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	0.500	325	0	0	0	325	1
M	D	0.750	1,430	0	0	0	1,430	2
M	D	1.000	1,660	0	0	0	1,660	3
M	D	1.250	2,800	0	0	0	2,800	4
M	D	1.500	2,150	0	0	0	2,150	5
M	D	2.000	3,850	0	0	0	3,850	6
M	D	2.500	200	0	0	0	200	7
M	D	3.000	2,500	20	20	0	2,500	8
M	D	4.000	9,597	0	0	0	9,597	9
M	D	6.000	22,150	20	20	0	22,150	10
M	D	8.000	4,600	0	0	0	4,600	11
Total Within Municipality			51,262	40	40	0	51,262	
Total Utility			51,262	40	40	0	51,262	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.625	402	0	0	0	402	47	1
M	1.000	34	0	0	0	34		2
P	1.000	1	0	0	0	1		3
M	1.250	3	0	0	0	3		4
M	1.500	12	0	0	0	12		5
M	2.000	10	2	0	0	12		6
M	3.000	1	0	0	0	1		7
M	4.000	2	0	0	0	2		8
Total Utility		465	2	0	0	467	47	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	377	6	0	0	383	0	1
0.750	60	0	0	0	60	0	2
1.000	38	0	0	0	38	0	3
1.250	3	0	0	0	3	0	4
1.500	12	0	0	0	12	0	5
2.000	11	2	0	0	13	0	6
3.000	1	0	0	0	1	0	7
Total:	502	8	0	0	510	0	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	272	61	0	11	0	39	383	1
0.750	41	15	0	0	0	4	60	2
1.000	15	22	0	1	0	0	38	3
1.250	0	3	0	0	0	0	3	4
1.500	0	12	0		0	0	12	5
2.000	0	12	0	1	0	0	13	6
3.000	0	0	0	1	0	0	1	7
Total:	328	125	0	14	0	43	510	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	60	1	1	2	62	2
Total Fire Hydrants	60	1	1	2	62	
Flushing Hydrants						
	4				4	3
Total Flushing Hydrants	4	0	0	0	4	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	62
Number of distribution system valves end of year:	164
Number of distribution valves operated during year:	38

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

SALARIES AND WAGES A/C 600 THE CITY OFFICIALS SPENT MORE TIME THIS YEAR THAN THE PAST YEAR ON ADMINISTRATIVE MATTERS RELATING TO THE WATER UTILITY.

SUPPLIES AND EXPENSES DECREASED BY MORE THAN 30% FORM THE PREVIOUS YEAR. THE UTILITY PURCHASED SUPPLIES WHICH WERE EITHER CAPITALIZED IN THE PLANT ACCOUNTS OR PART OF INVENTORY AT THE YEAR END.

REPAIRS TO WATER PLANT DECREASED BY MORE THAN 30% FROM THE PREVIOUS YEAR. LAST SPRING WAS MILD AND THE UTILITY DID NOT EXPERIENCE ANY MAJOR WATER LINE BREAKS.

Water Utility Plant in Service (Page W-08)

THE ELECTRIC PUMPING EQUIPMENT WAS STRUCK BY LIGHTNING AND BADLY DAMAGED LAST YEAR. THE UTILITY INCURRED SUBSTANTIAL COSTS TO REPLACE THE DAMAGED EQUIPMENT.

Water Mains (Page W-15)

THE UTILITY REPLACED A HYDRANT AND 40' OF MAINS AS PART OF THIS REPLACEMENT. THE COST OF THIS WAS PAID FOR BY THE UTILITY AND A CONTRIBUTION FROM THE CITY.

Water Services (Page W-16)

WATER SERVICE ADDED IN 1998 WERE INSTALLED BY THE UTILITY AT THE CUSTOMER'S EXPENSE.

Meters (Page W-17)

THE UTILITY DID NOT TEST ANY METERS IN 1998. AS A RESULT OF A CHANGE IN PERSONNEL THIS WAS NOT DONE IN 1998. WE WILL TEST METERS AGAIN IN 1999.

Hydrants and Distribution System Valves (Page W-18)

ADJUSTMENTS MADE BY UTILITY TO THE NUMBER OF HYDRANTS AT BEGINNING OF YEAR PER MICHAEL BONNEY.

BECAUSE OF A CHANGE IN UTILITY PERSONNEL THE PROPER NUMBER OF HYDRANT VALVES WERE NOT OPERATED. WE WILL RECTIFY THIS IN 1999.
